FBIS DAILY REPORT

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NEW FISHING AGREEMENT SIGNED WITH USSR 2 JULY

PY031958 Buenos Aires TELAM in Spanish 1842 GMT 2 Jul 86

[Text] Buenos Aires, 2 Jul (TELAM) -- Argentina and the Soviet Union today signed an agreement on fishing at the Economy Ministry Fishing Undersecretariat. This agreement will serve as a prototype for other similar agreements to be signed with Poland, Bulgaria, Japan, and the EEC in the next few weeks.

The main objective of the agreement is to repect the principles of preservation of fish, thus preventing the risk of overfishing. Members of the Fishing Undersecretariat, of the Foreign Ministry, a representative of businessmen, and another of the unions participated in compiling the agreement.

The agreement also establishes that Soviet fishing boats will use Argentine ports and all their goods and services, including fuel and repair work through Argentine companies. Ten percent of the crews will be Argentine citizens, and the operation will increase technological exchange.

BOMB EXPLOSIONS IN BUENOS AIRES 3 JULY

Catholic Action Offices Bombed

PY031220 Buenos Aires TELAM in Spanish 0440 GMT 3 Jul 86

[Text] Buenos Aires, 3 Jul (TELAM) -- A medium-sized bomb exploded early this morning in front of one of the Catholic Action offices located in the northern suburbs of this capital.

The explosion caused damage, but there were no casualties.

The Central Department of the Federal Police told TELAM that the explosion occurred at 0050 at the office located at 1,931 Paraguay St and that the 7th Precinct is in charge of the investigation.

House, Church Attacked

PY051822 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2330 GMT 4 Jul 86

[Excerpt] Buenos Aires, 4 Jul (NA) -- Two bombs went off between 2300 yesterday and dawn today. One exploded in front of a businessman's house in the Belgrano neighborhood, causing material damage but no casualties.

The first incident occurred at 2315 when a powerful bomb was planted in front of 2121 Olleros Street. According to a police source, this explosion practically destroyed the facade of the house, which reportedly belongs to a businessman, and two cars that were parked nearby.

The shock wave shattered the windows of neighboring buildings, completely destroyed some window frames, and seriously damaged the facades of some surrounding buildings.

Members of police station No 31 and the bomb squad arrived on the scene immediately and started the necessary investagations. A police guard has been placed in front of the destroyed house.

In the meantime, police sources have asserted that Judge Luis Velasco is investigating the case, which has been filed under the category of "public intimidation and damages."

The other bombing occurred at 0100 this morning in front of an Evangelic Church in the Chacarita neighborhood, with similar results as the first attack.

BOMB EXPLODES IN FRONT OF MAR DEL PLATA SCHOOL

PY070027 Buenos Aires TELAM in Spanish 1159 GMT 6 Jul 86

[Excerpt] Mar del Plata, 6 Jul (TELAM) -- A powerful bomb exploded last night at 2200 at the front door of the Jose Manuel Estrada School on Salta Street, between Quintana and Matheu Streets, in Mar del Plata. The bomb did not injure anyone or cause any damage to the shcool, which is located next to the San Jose Church.

Juan Domingo Arriondo, a youth who lives and works in the school, has said he saw and tried to catch the person who placed the bomb, a young man wearing a suede jacket who was able to escape in a Citroen.

The school principal, Father Enzo Guistozzi, was dining on the second floor at the time of the explosion. He said he does not know the reason behind the bombing. He stated that this is the work of people seeking to destabilize the situation, of people fishing in troubled waters.

Guistozzi, who is chairman of the Permanent Human Rights Assembly of Mar del Plata, believes the attack is not connected with human rights or with the march the Buenos Aires Archbishopric staged yesterday in Buenos Aires for the defense of the family. The priest said that no appeals in this regard were issued from the school. [passage ommitted]

NATIONAL TEACHER STRIKE HELD 2-5 JULY

PY021320 Buenos Aires TELAM in Spanish 1117 GMT 2 Jul 86

[Text] Buenos Aires, 2 Jul (TELAM) -- A 72-hour national stoppage, called by the Confederation of Education Workers of the Argentine Republic (CTERA) to protest the salary readjustment established by the government for this sector, began today.

The stoppage includes a demonstration scheduled for 1600, during which the teachers will march from their association's offices, at 2009 Rivadavia Street in this capital, up to Government House and the nation's congress, in order to demand a bigger budget for the education sector.

## ALFONSIN SWEARS IN PUBLIC WORKS MINISTER

PY090137 Buenos Aires TELAM in Spanish 2139 GMT 8 Jul 86

[Text] Buenos Aires, 8 Jul (TELAM) -- During a ceremony this afternoon at the White Hall of Government House, President Raul Alfonsin administered the customary oath of office to the newly appointed Public Works and Services Minister Pedro Augusto Trucco.

Also sworn in were Coordinating Under Secretary Jorge Presman, Public Works Under Secretary Jose Pedregal, Transportation Under Secretary Horacio Diaz Hermelo, Communications Under Secretary Juan Cinminario, and Merchant Marine Under Secretary Pedro Jose Casado Bianco.

The president also swore in the Defense Production Secretary Rainani Barbagna.

## FALKLANDS PENGUINS NOT KILLED BY RADIOACTIVITY

PY031723 Buenos Aires TELAM in Spanish 0255 GMT 3 Jul 86

[Text] Buenos Aires, 2 Jul (TELAM) -- The National Atomic Energy Commission (CNEA) has ruled out the possibility that some 300 penguins may have died 25 km from Puerto Deseado because of radioactive contamination coming from ships carrying nuclear weapons that were sunk near the Malvinas islands.

In a communique released this evening, the CNEA said: Had the sunken ships carried nuclear weapons, and had the containers of radioactive material broken, the concentration of radioactive material in the sea water would have been so low that it would have posed no risk to any species. In no way could such a low concentration cause the death of penguins, the communique concluded.

## BRIEFS

POLICE CHIEFS ASSUME OFFICE -- The new chief and deputy chief of the Buenos Aires Police, Commissioners Bronislao Rogosz and Abel Oscar Bracken, respectively, assumed their posts today. The new police chief said he will continue the policy of his predecessor. [Summary] [Buenos Aires Domestic Service in Spanish 1600 GMT 1 Jul 86 PY]

FIRST QUARTER GDP -- Buenos Aires, 1 Jul (NA) -- The GDP grew 0.4 percent during this year's first quarter, compared with the same period last year. The industrial GDP increased 5.7 percent while the agricultural GDP decreased 8.4 percent. [Excerpt] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 2213 GMT 1 Jul 86 PY]

NAVY COMMANDER RESIGNS, SUCCESSOR SWORN IN

PY081540 La Paz La Red Panamericana in Spanish 1130 GMT 8 Jul 86

[Excerpts] During a ceremony at Government Palace, President Victor Paz Estenssoro installed Rear Admiral Douglas Estremadoiro as the new Navy commander in chief. Estremadoiro replaces Rear Admiral Jose Antonio Ona Costas, who resigned after he was charged with allegedly committing irregularities in the Navy. [passage omitted]

In a conversation with the press after the ceremony, the new commander praised his predecessor, who tendered his resignation to allow an investigation into the charges leveled against him. [passage omitted]

[Begin recording] [passage omitted] [Reporter] Is the situation within the Navy absolutely normal? Does the Navy respect the Constitution?

[Estremadoiro] The situation is absolutely normal, and it will continue to be so. We believe the best thing we can do to help solve this crisis and to help the Bolivian people is to abide by military regulations and the Constitution.

[Reporter] What are your immediate plans for the Navy?

[Estremadoiro] I believe it is a bit early to talk about specific plans. We will work to promote effectiveness and improve performance. We will establish strict rules based on discipline and justice. [end recording]

SANTA CRUZ PREFECT INTERVENES AT YPFB FACILITIES

PY090028 La Paz La Red Panamericana in Spanish 1700 GMT 8 Jul 86

[Text] Santa Cruz prefect [Julio Prado Salmon] a few minutes ago ordered strong measures to preserve peace in that district.

In view of the attitude of the Santa Cruz oilworkers, who left drivers without fuel, the prefect ordered the military and police to intervene at the YPFB [Bolivian Government Oil Deposits] facilities, warning that the national government is not willing to allow chaos and anarchy to spread throughout the country again because of the radical stands of some trade union organizations.

Here is a report by the Radio Panamericana correspondent in Santa Cruz de la Sierra.

[Begin relay] Radio Panamericana is now reporting from Santa Cruz.

During a news conference, the Santa Cruz prefect announced a few minutes ago that in view of a decision by YPFB workers to suspend their activities in Santa Cruz, he has ordered the military and police to intervene at all YPFB facilities, both in Palma Sola and in Centro district.

In fact, oilworkers in Santa Cruz district have stopped pumping hydrocarbons to Chuquisaca and Tarija districts. The prefect said this action will not be permitted, bearing in mind that the government has all the state mechanisms to enforce the law.

Asked the reasons for this intervention, the Santa Cruz prefect said that there is a national agreement, which is to be reviewed on 31 July, and that the government will not permit these actions because they basically go against the people.

Afterward, the Santa Cruz prefect was asked about the intervention at the offices of the Santa Cruz peasant leaders.

The prefect said that as long as the differences are not ironed out, the police forces will continue guarding those offices.

This was a Radio Panamericana report from Santa Cruz. [end relay]

So far, the gasoline supply at gas stations has not returned to normal in Santa Cruz. It is expected that it will return to normal this afternoon as a result of the military and police intervention in Palma Sola.

LECHIN REJECTS GOVERNMENT SALARY INCREASE

PY050228 La Paz La Red Panamericana in Spanish 1700 GMT 4 Jul 86

[Text] Bolivian Labor Confederation Secretary General Juan Lechin Oquendo has made statements to the media about an important subject: the recent 33-percent salary increase granted by the government to the National Treasury employees. Juan Lechin expressed his rejection of the increase, which he qualified as not only minimal but ridiculous. He expressed doubt about the ministers' affirmation that the salary increase will not generate price increases, recalling that the government's economic policy is neoliberal, so prices will be subject to speculation.

[Begin Lechin recording, in progress] ...the salary increase granted to the workers is ridiculous.

The finance and information ministers have happily announced that the salary increase will not provoke inflation. They believe in neoliberal economic theory, upheld by the Friedman couple, who have stated that salary increases do not provoke inflation.

What happens in Bolivia? Prices have increased since last week, and this is known by the Bolivian people who apply their scarce income to [words indistinct] to be able to buy food. Naturally these two ministers are unacquainted with this reality. They live in another world. This is why they happily but unmercifully maintain that prices will not increase. Who are they to say so whether their policy favors freedom of commerce?

They cannot even oppose a speculative salary increase. [end recording]

POLICE CONCERNED OVER DEA EXPANSION PROJECT

PY082344 Madrid EFE in Spanish 0938 GMT 8 Jul 86

[By Adalid Cabrera Lemuz]

[Text] Rio de Janeiro, 8 Jul (EFE) -- The U.S. Drug Enforcement Agency (DEA), charged with fighting drug trafficking, has decided to increase its antidrug control and investigation operations to prevent Brazil from serving as a transit point for drugs to the U.S. and European markets.

The DEA operates with a group of six special agents based at the U.S. Embassy in Brasilia and a broad network of informers, but it has decided to increase its personnel in Sao Paulo and Rio de Janeiro, natural centers for the supply and trafficking of cocaine and marijuana in Brazil.

This decision has caused concern among Brazilian Federal Police authorities, who fear that the DEA may take over the struggle against drug trafficking in Brazil, surpassing the Brazilian law enforcement agencies.

Up to now the DEA's mission in Brasilia was to exchange information on drug trafficking with the Brazilian Federal Police so that the latter could implement the enforcement programs.

Brazilian Deputy Marcio Santilli of the congressional Foreign Affairs Committee said the authorization to increase DEA personnel in Sao Paulo and Rio de Janeiro will mean "allowing a foreign police to act in our country."

The DEA decision has also been questioned in other diplomatic circles, because it could set precedents for other U.S. organizations, such as the Federal Bureau of Investigation (FBI) and the Central Intelligence Agency (CIA) to establish their own offices in Brazil.

DEA Chief in Brazil John Hughes justified his plan by stating that it does not entail expanding operations but merely having a broader area of observation over drug-trafficking activities, because Sao Paulo and Rio de Janiero have become centers of drug trafficking and consumption.

Currently Brazil is used as a transit point for the trafficking of cocaine from Bolivia bound for Europe and the United States, and traffickers involved in this illegal activity are frequently apprehended at local airports.

The Brazilian Federal Police have established strict control and security systems designed to prevent the shipment of cocaine to the United States under the supervision of the DEA.

Another issue which concerns the law enforcement agencies is the increasing internal trafficking of cocaine, which enters Brazil by land or in small aircraft that land on clandestine landing strips in the Amazon area. This makes control difficult. According to police reports, the powerful drug trafficking rings in the Rio de Janeiro area have created well-organized and widespread networks to sell cocaine. This has generated a wave of crimes and violence in Rio de Janeiro and Sao Paulo.

LAW OF THE SEA TO CLARIFY U.S. OBSERVATIONS

PY031553 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 3 Jul 86

[Text] A Foreign Ministry source has said the U.S. observations on the Chilean decision to extend its sovereignty over the continental shelf around Easter Island and Salay Gomez Island to 350 miles are a technical and legal issue that cannot be solved on a bilateral basis. The source added that the subject will be expeditiously clarified after the Law of the Sea Convention comes in force, that is, after at least 60 of the states that have signed the Convention ratify it. It should be recalled that the United States has not signed the Convention.

REGIME FORMALLY PROTESTS FRG OFFICIAL'S REMARKS

PY081632 Madrid EFE in Spanish 1506 GMT 8 Jul 86

[Excerpt] Santiago, 8 Jul (EFE) -- The Chilean Government of General Augusto Pinochet has formally protested to the FRG Government the declaration made recently by FRG Minister of State at the Foreign Ministry Juergen Moellemann.

According to high-placed sources in the Chilean Foreign Ministry, the protest is based on the "gratuitous offenses made against the Chilean president and Govenment."

Moellemann criticized the Chilean regime for its repression during the first national stoppage, and he also asked Pinochet to resign from the presidency of his country.

The Chilean Government protest note states that Moellemann's offense is also "an insult to all moderate Chilean sectors that are dedicated to a peaceful and orderly transition to a solid and stable democracy." [passage omitted]

BOMB EXPLODES BEHIND CARABINEROS CENTRAL STATION

PY080338 Paris AFP in Spanish 0310 GMT 8 Jul 86

[Excerpt] Santiago, 7 Jul (AFP) -- Police sources have reported that a Chilean subversive group exploded a bomb tonight only 50 meters behind the central station of the Carabineros. There were no casualties.

The explosion only caused damage to the windows of some residences and alarm among the neighbors. [passage omitted]

GOVERNMENT ANNOUNCES CAPTURE OF FOUR TERRORISTS

PY082026 Madrid EFE in Spanish 0331 GMT 8 Jul 86

[Text] Santiago, 7 Jul (EFE) -- The government's Social Communications Directorate, Dinacos, disclosed today that four "presumed terrorists from the Communist Party" were arrested on 2 July.

In a communique releasted today, Dinacos has identified them as Julio Carreno Piedra, Leonardo Torres Gomez, Jose Marchant Lopez, and Mauricio Mansilla Alvarado. These people have been turned over to the Military Procecutor's Office in Santiago on charges of violating the weapons control law.

ANC COORDINATOR ON CHARGES AGAINST LEADERS

PY082133 Santiago Radio Chilena in Spanish 2300 GMT 7 Jul 86

[Excerpt] The Interior Ministry has made more charges against leaders of the National Civic Assembly [ANC]. Those charged now include Osvaldo Verdugo, ANC acting coordinator and chairman of the Chilean Association of Teachers. According to Interior Ministry lawyer Ambrosio Rodriguez, the measure was taken after repeated calls for the suspension of activities.

The case is being tried by Judge German Valenzuela Erazo, who has rejected a request by lawyer Jose Galiano that he disqualify himself from the case.

Asked about the government measures, ANC coordinator Osvaldo Verdugo told Primera Plana:

[Begin Verdugo recording] We are very calm, as are the others who have already been charged. We have publicly said that the Chile Demands document is an expression of the will of the entire Chilean people, that we have acted openly, that our acts as leaders have been totally democratic, and that we have been elected by our rank-and-file members. We represent what the social organizations participating in the ANC stand for, and therefore, we are totally faithful to it. In view of this unfair, arbitrary measure, we -- like the rest of the 17 defendants -- will appear before the court, because we are public personalities, we are not fugitives or criminals. All of our actions have been conducted under the light of the Chilean public opinion. [end recording] [passage omited]

GEN DANUS' RESPONSE TO CIVIC ASSEMBLY VIEWED

PY081612 Madrid EFE in Spanish 2059 GMT 7 Jul 86

[By Luis S. Saavedra]

[Excerpts] Santiago, 7 Jul (EFE) -- The Chilean opposition today commented favorably on the gesture of a high-ranking Chilean officer who responded, although negatively, to the Civic Assembly's petitions.

Major General Luis Danus, intendant of Magallanes and chief of the Chilean Southern Military Zone, in writing and signed by himself, answered the "demands" sent to him by the Civic Assembly branch of that southern area, located 2,500 km south of Santiago.

Gen Danus' declaration was cited today by prominent opposition leaders as a "positive attitude of trying to make an effort to understand the political feeling of the democratic opposition."

The high-ranking officer also urged the "violent and nonviolent opposition" to "voice their proposals," especially regarding the future of the right to property, the economy, and education.

Major Gen Danus believes "it is contradictory to request democracy when at the same time intimidating and violent methods are used against the opinion of thousands of people who wish to study and work."

Jorge Molina, under secretary general of the Chilean Socialist Party, has commented that what Gen Danus stated "is of great interest." Molina added that he is willing to meet with the general "to discuss the subjects that trouble him."

Molina added that "the socialists reject violence and terrorism, and we know that it is not generated by us nor by any of the sectors that form part of the Civic Assembly."

"We, socialists," added Molina, "do not seek the military defeat of the Armed Forces, nor the ousting of the government through force, but a political outcome, that is, talks and negotiations."

Molina said that "we respect all forms of private, public, mixed, and cooperative [autogestinaria] property, and want the economy, politics, and culture of Chilean society to be subject to the human being and not the other way around." [passage omitted]

Moreover, the opposition sector of the media noted today that Gen Danus' answer "represents a recognition of the true and unavoidable existance of the Civic Assembly."

The opposition sector of the media added that "everything is fine when dialogue and respect exist," as has been proven in Magallanes, where a "great part of the citizenry observed the stoppage without any incidents."

Valdes on Answer

PY082110 Madrid EFE in Spanish 1255 GMT 8 Jul 86

[Excerpts] Santiago, 8 Jul (EFE) -- Chilean Christian Democratic Party President Gabriel Valdes today said he is willing to hold talks with the military "wherever and whenever they consider convenient."

The former foreign minister made these comments in response to a warning issued by Major General Danus, Magallanes mayor and chief of the country's southernmost military zone. [passage omitted]

The Christian Democratic leader deemed Gen Luis Danus answer "very positive" and said "he questions topics of undoubtable interest and we are in a position to answer them fully."

He added that he also had "important questions" to ask Gen Danus.

"We have always said," Valdes added, "that the Chilean crisis will be solved through a dialogue between the Armed Forces and democratic civilians. We are ready for this dialogue at the time and place they consider convenient."

MERINO DISCUSSES MILITARY-OPPOSITION DIALOGUE

PY090209 Santiago Radio Chilena in Spanish 2300 GMT 8 Jul 86

[Text] Admiral Jose Toribio Merino Castro has stated that any kind of dialogue is positive as long as it is held with people who have clear mentality and are willing to live in peace and tranquillity in the country.

Admiral Merino made this statement after resuming his activities in the legislative assembly from which he was absent for 1 month because of a case of acute gastroenteritis. Merino talked with the press on various national issues.

[Begin recording] [Reporter] Admiral, what is the position of the Navy on the comments made by General Danus?

[Merino] I am not aware of Danus' statements.

[Reporter] Danus called on the opposition to define its position about the economic system for 1989.

[Merino] This is a surprise to me because the Army sponsored the system of controlled free enterprise. Therefore any other system does not go along with our thinking.

[Reporter] Do you believe that a dialogue between the Armed Forces and the dissident sectors is positive?

[Marino] Of course. Any kind of dialogue is positive as long as the dialogue is held with people who have a clean and clear mentality and are willing to live in peace and tranquillity in the country.

[Reporter] Admiral, how do you evaluate the strike sponsored by the Civic Assembly?

[Merino] I absolutely reject all of the barbaric actions and the killing of people. [end recording]

Adm Merino was also asked about the White House's condemnation of the death of Rodrigo Rojas de Negri, who died on 6 July from the serious burns intentionally inflicted by third persons.

[Begin Merino recording] Mr [name indistinct] is probably trying to improve his position in the face of what he said in the past. He is now being good because we were doing things properly and the others are doing it wrong. I do not want to make any further comments on this issue. I already clearly said the other day that any interference in the national affairs is unacceptable because we are a sovereign country with the right and authority to do what we wat in the country in accordance with the laws and the Constitution.

[Reporter] [Words indistinct] do you reject the statements by the FRG under secretary of foreign affairs [title as heard], who said that the president should resign?

[Merino] That German, I do not know his name, is a stubborn man. I am not interested in what he said. Thank you. [end recording]

SENATORS PROTEST LAINO'S BEATING, RADIO JAMMING

PY080217 Asuncion HOY in Spanish 4 Jul 86 p 6

[Text] Minority senators last night condemned the events related to the political exile of Domingo Laino, "who was brutally stopped in his fifth attempt to return to our country:" the unending jamming being experienced by Radio Nanduti; and the expulsion of Radio Charitas director Father Javier Arancon from Paraguay. The protest was not joined by the ruling-party senators, some of whom limited themselves to discussing procedural matters. Before and after criticizing the events, Radical Liberal Party [PLR] Senator Luis Vega held heated discussions with Colorado Party senator Ezequiel Gonzalez Alsina, who tried to prevent the opposition senator from speaking by claiming that the agenda was ambiguous. Vega angrily protested, stating: "Not only are radios being jammed but so are the Senate's session." Gonzalez Alsina asked: "Are or are we not discussing an item on the agenda?"

Vega regretted that "once again the national Constitution is being trampled on by a regime that evidently is not inclined to democratize the country." Vega recalled that a week ago Authentic Radical Liberal Party [PLRA] leader Domingo Laino was not allowed to enter the country. Vega said: "We are grudgingly giving freedom to the Paraguayan people and to the press. Everything is being restricted and systematic harassment, which is the regime's basic foundation, is being practiced."

Referring to the Radio Charitas director, Vega said that "foreign citizens are being deprived of their documents and abandoned on the borders. This has not been authorized by any immigration law."

Vega added: "This is not all that has happened. Foreign citizens who arrived in the country accompanying Laino suffered harassment. The beating of some foreign citizens speaks of the poor image of this regime, which is not made up of Paraguayans. We protest and repudiate these events."

Liberal Party [PL] Senator Joaquin Burgos also condemned the events mentioned by Vega, stating that "the attacks on foreigners truly expose the regime, whose savagery has surpassed the limit of abuse." In conclusion, Burgos expressed solidarity with Father Arancon, Domingo Laino and his entourage, and Radio Nanduti for the unending jamming it is experiencing.

After the minority complaints ended, PLR Senator Enzo Doldan wanted to refer to a petition for constitutional approval but was interrupted by Gonzalez Alsina, who said "It was not to be discussed yet." Senate President Dr Juan Ramon Chavez, however, said it was time indeed. Gonzalez Alsina shouted at the top of his voice: "They are complaining about abuses and this is an abuse." Vega angrily replied: "No. The agenda has never been ignored." The uproar lasted almost a minute and was then interrupted by the Senate president with loud rings. In conclusion, when everyone was expecting a ruling-party response to the criticism, the discussion diverted the plenary session's attention, and everything concluded with general laughter.

Afterward, in a closed-door session, the Senate approved the appointment of Colorado Deputy Salvador Ruben Paredes as Paraguayan ambassador to Brazil.

REACTION NOTED ON TREATMENT OF CHARITAS DIRECTOR

PY082000 [Editorial report] Asuncion HOY in Spanish has published several reports on the reactions that followed the decision by the Paraguayan Government to prevent Father Javier Arancon, the director of Radio Charitas, from returning to Paraguay.

In a 300-word report published on page 11 on 4 July, the newspaper carried excerpts of a communique issued by the Franciscan Order. According to the report, the Franciscan Order believes that the decision is "totally unfair, arbitrary, inappropriate, and inconvenient" and that "peace and justice cannot be built upon repression and violence."

In the same report, the newspaper quoted the national secular team of the Paraguayan Episcopal Conference as stating that the measure is "totally unfair, unconstitutional, and against the Gospel."

On 5 July, the newspaper carried on page 12 a 200-word report quoting Education Minister Carlos Ortiz Ramirez as saying that the incident has "in no way" affected relations between the government and the church, and that "on the contrary, we are in permanent contact." The minister was also quoted as saying "there is no confrontation between the government and the church."

A 200-word report published on 6 July on page 14 carried excerpts of a statement issued by the University Reorganization Movement, MRU. According to the report, the MRU repudiated "this new blow against freedom and democracy." In a 300-word report published on the same page, the newspaper carried excerpts of a statement issued by the Asuncion Archbishopric in which the government measure is referred to as "unfair and arbitrary." According to the newspaper, in its statement the Archbishopric "deplored this type of measure against foreign priests, who are unconstitutionally denied entry to the country."

GARCIA: CABINET RESHUFFLE 'BEFORE 28 JULY'

PA081401 Lima Panamericana Television Network in Spanish 1208 GMT 8 Jul 86

[Text] There will be a redistribution of cabinet posts before 28 July. While reiterating his full support for and confidence in the ministers in [Prime Minister Luis] Alva Castro's cabinet, President Alan Garcia announced there will be several changes, but failed to indicate in which ministries. He reported, however, that the cabinet will not resign.

[Begin recording] [Reporter] Has [resigned Justice Minister] Dr Gonzalez Posada's replacement been chosen yet?

[Garcia] Not yet. We are consulting and examining this. The justice minister is the government's legal adviser. He is responsible for the prisons, relations with the church, and other things. That is why we have not appointed Dr Luis Gonzalez Posada's replacement yet.

[Reporter] Has Minister Gonzalez Posada's [words indistinct]?

[Garcia] Yes. The acceptance of his resignation has already been made public, stressing the nation's appreciation for his services and his work, including depenalization, which was an important step that has allowed us to resolve the problem of many thousands of people who were first-time offenders and who were affected very negatively by slow procedural work and the harshness of the former law.

My first concern as president was to resolve the problem of imprisoned children. There were hundreds of children in the prisons, with their mothers. Most of these cases have been resolved for humanitarian reasons, basically out of compassion, through the depenalization undertaken by Minister Gonzalez Posada.

We have accepted his resignation, deeply regretting his departure from the cabinet, while thanking him for his services to the nation.

[Reporter] [words indistinct] cabinet, Mr President?

[Garcia] There are rumors to that effect. Likewise, various political leaders are asking for the resignation of the cabinet. The cabinet will not resign, nor will I accept a resignation from the cabinet. I believe that once this situation is overcome through law and democracy, we must move on to consolidate the economic program we have set into motion. We need to consolidate the accomplishments that are being made in each field, including housing and health.

It is common and necessary that cabinets be strengthened and renewed after a certain period of time has elapsed. However, this is not related to the demands being made by various political sectors. I reaffirm my confidence in the cabinet and in its integrity. The changes that are necessary will be effected before 28 July, but this will not include the entire cabinet. [end recording]

SOVIET EMBASSY ATTACKED; SHINING PATH IMPLICATED

PY090112 Madrid EFE in Spanish 0002 GMT 9 Jul 86

[Text] Lima, 8 Jul (EFE) -- According to several telephone calls received by Lima news media, the attack against the Soviet Embassy in Lima was carried out today by members of the Maoist Shining Path group.

An anonymous caller stated that the attack was carried out by the Peruvian Communist Party against Alan Garcia's government. The caller concluded with cheers for the revolution, for the "People's Republic of the New Democracy" ["Republica Popular de Nueva Democracia"], and for President Gonzalo, the name by which Abimael Guzman is known. Guzman is the founder, ideologist, and top leader of the Shining Path.

It is not Shining Path's custom to speak to the press in order to claim responsibility for an attack.

Meanwhile, Deputy Interior Minister Agustin Mantilla has released more details about the attack on the Soviet Embassy, which is located in the Lima district of San Isidro. One attacker died during the assault.

Mantilla stated that the attacker died in the inner garden of the embassy, where he was not shot by a policeman. The explosive device that he was about to throw at the building exploded in his hands.

Mantilla also said that another member of the command was captured after a shootout with two members of the Women's Police Department. One policewoman was wounded.

The other attackers -- the deputy minister did not reveal how many -- fled in a car that was later found abandoned far from the embassy.

Mantilla reported that weapons and explosives were found in the car.

Meanwhile, some eyewitnesses have indicated that they saw four men and a woman dressed in sports clothes and wearing dark glasses carrying out the attack, and that in addition to the device that killed the attacker who got into the embassy, another bomb exploded about 10 meters from the embassy's door.

POLICE SAY ARMY OFFICERS INVOLVED IN MASSACRE

PY081559 Madrid EFE in Spanish 0106 GMT 8 Jul 86

[Text] Lima, 7 Jul (EFE) -- Deputy Victor Garcia Belaunde today said that some high-ranking Army officers participated in the killing of prisoners charged with terrorism in Lima's Lurigancho Prison.

Garcia Belaunde explained that the charge was leveled in the report that the Republican Guard submitted to the Congressional Standing Committee, which is analyzing several reports on the execution of more than 100 prison inates who had surrendered.

Peruvian President Alan Garcia has charged that Republican Guardsmen killed the prisoners and stressed that any high-ranking officer involved in the massacre will be dismissed and strictly punished.

Garcia Belaunde belongs to the Popular Action Party, which was in power between 1980 and 1985. He is a member of the Congressional Standing Committee, a body that operates while Congress is in recess.

The deputy added that the reports submitted by the Armed Forces Joint Command, which was responsible for the restoration of order in the three prisons, and by the Republican Guard "contain no major discrepancies" over the way the operation was performed. The reports were read at the committee session today.

Deputy Jorge Fernandez Maldonado of the United Left, the main opposition party, has said that the reports reveal that "the excesses were committed by the Republician Guard." He added that the government is "fully responsible" for the massacre, because it ordered the Armed Forces to overcome the riots, which could have been solved by the police.

Ruling APRA [American Popular Revolutionary Alliance] member Luis Negreiros, president of the Chamber of Deputies, has said that today's closed-door session was dedicated to hearing the reports and that the debate will begin after the committee hears the attorney general's report on 8 July.

Negreiros said that the committee will decide what to do and whether an investigative commission will be designated.

SHINING PATH KILLS FORMER PUNO APRA LEADER

PY082214 Madrid EFE in Spanish 1537 GMT 8 Jul 86

[Text] Lima, 8 Jul (EFE) -- It was reported today that alleged terrorists in the city of Puno killed Elias Coasacha, a professor and dean of the Agronomy Faculty of the University of the Altiplano.

The alleged members of the Maoist Shining Path killed Coasacha, a former APRA (American Popular Revolutionary Alliance) leader at his own house, shooting him several times in the chest.

The crime occurred yesterday at 0700 (1200 GMT), the day after a bomb attack at the house of APRA leader Juan Sanchez, in which no victims were reported. These two attacks occurred in Puno, the capital of Puno Department, on the Bolivian border.

A number of APRA leaders have been killed or injured in the past few days in several attacks attributed to the Shining Path organization, which never claims responsibility for its actions.

On 1 July, Justice of Peace Enrique Vargas, a former APRA member from the town of Santa Rosa, Ayacucho department, was stabbed by two youths, aged 13 and 14. The youths stabbed Vargas 17 times and escaped with a revolver owned by the judge, who had received death threats.

On 4 July Abel Bonett, the APRA secretary in Huancayo, was shot dead in the city of Huancayo, 415 km southeast of Lima, as he was entering his office.

Also on 4 July, Aquiles Hermosa, the APRA secretary general in Puno, was shot and wounded. On President Alan Garcia's orders, he was taken to Lima to be treated.

Alleged Shining Path terrorists in Lima on 2 July killed civil guard (rural police) Alfonso Diaz, and non-commissioned officer Juan Asto Alanya on 3 July.

APRA OFFICIAL KILLED IN AYACUCHO DEPARTMENT

PY090146 Madrid EFE in Spanish 2144 GMT 8 Jul 86

[Text] Ayacucho, Peru, 8 Jul (EFE) -- Victor Gamboa Medina, the governor and justice of peace of the town of Huayllan, Vilcashuaman Province, was killed last night by Shining Path terrorists.

The terrorists, some 30 people, also killed Lister Gamboa, 16, the governor's son. The governor was a member of the ruling social democratic APRA [American Popular Revolutionary Alliance] Party.

The crimes were committed in the presence of the inhabitants of Huayllan, some 250 km north of Ayachucho.

After, the Shining Path terrorists placed red flags in the town and fled. The event was reported today in Ayacucho by Vilcashuaman Subprefect Alberto Rivero.

SHINING PATH INSTIGATES PEASANT INVASIONS

PY090005 Paris AFP in Spanish 1110 GMT 8 Jul 86

[Text] Punio, Peru, 8 Jul (AFP) -- The Peruvian police today reported that thousands of peasants, who were fooled by Shining Path terrorists, last weekend invaded several agrarian enterprises located in northern Puno Department, on the Bolivian border.

According to the report, some 4,000 peasants on Saturday and Sunday invaded 48 enterprises created under the land-reform program because Shining Path members circulated a rumor that President Alan Garcia had ordered a redistribution of rural real estate.

Some 200 squatters were arrested by the police in Nunoa, 160 km north of Puno. Although most of them were freed yesterday, 70 were held in detention charged with instigating the invasion.

The Shining Path organization is conducting a strong recruitment campaign in Huancane Province north of Lake Titicaca, where it instigates the peasants to invade the associations created under the 1969 land reform program.

While visiting flooded areas in Puno, President Garcia said that the distribution to farmland there was fair because the peasant enterprises received property that formerly belonged to the large real estate owners while there are thousands of peasants without land or with very poor lands.

Floods in early 1986 aggravated the land situation in Puno. Some 300,000 peasants suffered huge losses of crops and cattle.

FOREIGN MINISTER CRITICIZES U.S. AID TO CONTRAS

PY090326 Madrid EFE in Spanish 2139 GMT 8 Jul 86

[Text] Montevideo, 8 Jul (EFE) -- Uruguayan Foreign Minister Enrique Iglesias today said U.S. aid for the Nicaraguan rebels is "a new obstacle to peace" in Central America, where "tensions have increased recently."

The Uruguayan foreign minister said "the situation is critical" because the Contadora peace process "is making no progress." Uruguay, Argentina, Brazil, and Peru comprise the Contadora Support Group. The Contadora Group, which includes Colombia, Panama, Mexico, and Venezuela, has been trying to find a negotiated solution to the Central American crisis since January 1983.

Iglesias emphasized that "the only valid solution is a diplomatic solution based on the Caraballeda Declaration," a document drawn up on 12 January 1986 by the Contadora Support Group to achieve peace in Central America. The Caraballeda Declaratidon recommends, among other things, "the absence of aggressive actions, the absence of foreign troops or advisers, and the absence of support to subversive groups."

The U.S. Congress recently granted $100 million in aid to the contras, who are waging an armed struggle against the Nicaraguan Sandinist regime.

"A conflict would not only affect Central America but also the entire region," warned the Uruguayan foreign minister.

Iglesias added: "We are always in contact with the countries of the Contadora Group and the Contadora Support Group, and we look forward to the talks the Central American nations are conducting among themselves."

MILITARY BEGINS 'VERY IMPORTANT' REDUCTION

PY090142 Madrid EFE in Spanish 2154 GMT 8 Jul 86

[Text] Motnevideo, 8 Jul (EFE) -- Defense Minister Juan Vicente Chiarino today said Uruguay has started a "very important" reduction of its military forces, a reduction that will reach 20 percent in the Army.

According to the defense minister, the reduction wil also include the Navy and the Air Force, "but to a lesser degree."

Chiarino announced that "we are fulfilling the commitment to reduce the number of Armed Forces personnel." By late 1987, the Army, which is now estimated at 20,000 in a country of 2.9 million inhabitants, will be reduced "more than we had thought."

With the reduction, the number of personnel will be "similar to what it was before the civilian-military process, in the 1972-1973 period," Chiarino added. It is estimated that during the military government (1973-1985), personnel, including the Armed Forces, police, firemen, and others, totaled 60,000 people.

REPORTAGE ON VISIT BY GUATEMALA'S LEREZO

## De la Madrid Supports Contadora

FL031540 Mexico City NOTIMEX in Spanish 0430 GMT 3 Jul 86

[Text] Mexico City, 2 Jul (NOTIMEX) -- Mexican President Miguel de la Madrid warned today that foreign plans to destabilize Central American political institutions constitute one of the errors that would deliberately lessen the chances for peace and end up as an error of historic dimensions..

At the dinner he gave for Guatemalan President Vinicio Cerezo Arevalo, at which he decorated the Guatemalan president with the Order of the Aztec Eagle, the chief executive warned that a mistaken decision of this magnitude would constitute an insult to the conscience of our peoples by ignoring the true suffering of the sister nations.

Miguel de la Madrid pointedly warned that Mexico is deeply convinced that democracy does not grant certificates of ideological purity and does not confer the right to intervene in the internal affairs of other states.

He also said that the Contadora Group's peace efforts belong to one of the best causes of the Latin American peoples. For this reason, he said, our countries have never tried to assume the prerogatives of others or tried to impose our protection on others.

He said that Guatemala and Mexico are located close to the region in conflict and that this fact imposes on their countries the need to pay permanent attention because of their legitimate security interests.

He said it is a great contradiction that bad habits of intolerance still exist that harm the political pluralism of international law and undermine the bases of regional order.

De la Madrid said that the Contadora initiative is within the rules of law accepted by the international community, postulating that diplomacy is irreplaceable for resolving controversies. He said it would be useless if the governments that are directly involved do not pledge their will to negotiate in the search for an effective, lasting peace.

He said he supports the creation of a Central American parliament, and added that Mexico supports the process of integration in that area.

Earlier, De la Madrid had spoken of economic matters, saying that the solution of such problems as the foreign debt and the worldwide recession do not automatically free countries from the problems that accompany all development. He urged the modification of international financial structures and the transformation of the unfair mechanisms that support the worldwide distribution of wealth.

He came out for economic cooperation between Guatemala and Mexico, not only within the framework of bilateral relations but also as a model of joint Latin American cooperation.

The chief executive acknowledged the need to use this opportunity to plan relations between Mexico and Guatemala and stressed his confidence that these relations will grow in an atmosphere of understanding and mutual benefit.

He spoke of making systematic the high-level meetings between the two countries and of encouraging a constant rapprochement at all levels of government, social sectors, and political groups.

The chief executive spoke of Benito Juarez, saying that the rights of the peoples cannot be violated forever because, sooner or later, the sovereignty of nations will win over a policy of force that does not recognize the norms or laws of civilizations as expressed in an authentic political dialogue.

Before he concluded his speech, the president of Mexico thanked Guatemala for its support during the days of anguish that followed the earthquakes of September 1985,; he reiterated his will to intensify bilateral relations, encourage cooperation in all fields, and maintain dignity, friendship, and justice in both directions.

Marco Vinicio Cerezo Arevalo stressed the fact that Guatemala and Mexico want peace in Central America and that the two nations are not against anyone. What we demand, he said, is respect for national identity.

He reiterated his rejection of violence and of intervention in the peoples of Latin America, and especially in those of Central America. Hw spoke in support of what he called active neutrality to achieve permanent and solidary peace that all the Latin American people can enjoy.

Finally, he paid tribute to Don Benito Juarez, who above all advocated respect for the rights of others and the free self-determination of the peoples, saying that Guatemala is inspired by Juarez to defend its identity.

Cerezo: 'Less Rhetoric, More Action'

PA041956 Mexico Cith XHDF Television Network in Spanish 0300 GMT 4 Jul 86

[Text] As an immediate result of Guatemalan President Vinicio Cerezo's visit to our country, Mexican technicians will perform soil exploration in Guatemala in an attempt to find regions with mining potential. The following is a report by Jorge Rocha:

[Begin recording] Speaking before the Mexican Congress, Guatemalan President Marco Vinicio Gerezo said that history demands that the political leaders put aside all rhetoric and work on facts. he said that enough statements ot solidarity have been made and that it is now time to express solidarity in practice and not only show friendship at political meetings or at parties. Cerezo said that he, as well as De la Madrid, have put rhetoric aside and in an action of active solidarity, they will show that Mexico and Guatemla are sister countries based on facts.

In his speech, President Cerezo also called on his country's guerrillas to analyze the will of the Guatemalan people who are tired of war and violence and who chose, at the voting centers, the path of peace and understanding.

This morning, President Cerezo met with members of the Mexican private sector. During the meeting, Claudio X. Gonzalez, president of the private sector coordinating board, said that Mexican businessmen are willing to increase the trade exchange between Guatemala and Mexico.

Meanwhile, today at noon First Lady Raquel Blandon de Cerezo visited Mexico City's historical center. Mrs Cerezo was surprised, as well as interested, in the ruins discovered in downtown Mexico City. [end recording]

## Joint Communique Issued

FL050333 Mexico City NOTIMEX in Spanish 2100 GMT 4 Jul 86

[Text] Mexico City, 4 Jul (NOTIMEX) -- Mexican President Miguel de la Madrid and Guatemalan President Vinicio Cerezo said here today that the adjustment policies suggested to Latin American countries by international financial organizations could be inadequate and cause a recession.

They underscored that the solution to the crisis caused by the lack of specific measures aimed at dealing with the foreign debt problem will only be found by tailoring the debt service payments to the needs of economic growth of indebted countries in order to enable them to resume development. De la Madrid and Cerezo Arevalo expressed this in a joint communique issued after their second round of talks. They also requested the opening of international markets to goods and raw materials from developing countries, the end of protectionist measures, and in general, conditions which encourage the resumption of Latin American growth.

In the document, the two heads of state indicate that a lasting solution to the foreign debt problem demands political decisions between creditors, commercial banks, financial organizations, and debtor countries, as well as the acknowledgement of the joint responsibility over this problem.

They stressed Latin America's growing economic deterioration and the wish for the implementation of economic policies aimed at increasing the countries' exports income.

Regarding Central America, the presidents insisted that the Contadora Group is the best option in finding solutions to the regional conflict and, once more, supported the principle of self-determination of nations, the peaceful solution of conflicts, the enforcement of the law, and banned the use of force.

De la Madrid and Cerezo Arevalo asserted that in order for these principles to be implemented the political will of the countries directly involved is urgently needed, as well as the contribution of those countries with ties and interests in the region in favoring a negotiated solution.

They reasserted the right of all countries to democratically elect its forms of government and noted the need to fully adopt Contadora's peace and cooperation agreement for Central America.

They also expressed their confidence that the creation of a Central American parliament will contribute to the strengthening of democracy in the area and that it will be a forum to study the matters of interest of the Central American nations.

Regarding the situation in Latin America, the presidents called for new hemispheric relations based on mutual respect, dignity, and indicated that exchange of experiences should be encouraged between the political parties of the region as well as, parliamentary and governmental communication.

De la Madrid and Cerezo urged the superpowers to seek a real solution to the arms race problem, consolidate social development and establish a new world economic order.

Regarding bilateral relations, the presidents underscored the signing of sic cooperations in the economic, trade, livestock-agricultural, fishery, public health, energy, scientific, technological, education, and cultural sectors. They also reported that there are extensive plans to improve cooperation during this new stage of bilateral relations aimed at strengthening and diversifying existing investments between these two neighboring countries.

It was agreed to establish a binational commission to periodically evaluate relations between the two countries and encourage dynamic and balanced trade. A greater cooperation in the livestock-agricultural and forestry sectors will be sought. It will include actions aimed at fighting the Mediterranean fruit fly, the driller worm, and the African bee. The presidents agreed to coordinate efforts for the development of fisheries, the protection and intelligent use of tropical jungles, exchange information on urban planning, oil industry, and the electric and mining sector.

It was announced that the first binational border meeting will be held to discuss health subjects. A geophysical atlas of border international basin and rivers will be created.

The signing of an economic cooperation agreement on supply and trade of school supplies was reported. The parastatal National Company for Basic Commodities [Conasupo] and the Guatemalan Education Institute will participate in this.

De la Madrid and Cerezo agreed on the subject of Guatemalan refugees in Mexican territory. This problem will be dealt with by a special commission from the neighboring government in coordination with the UN High Commission for Refugees. Finally, the Mexican president reiterated his government's willingness in providing the Guatemalan migrant workers the protection and assistance provided by Mexican laws.

President Cerezo Arevalo expressed his gratitude to the government and people of Mexico for the kind treatment he had during this presidential visit and invited the Mexican head of state to visit Guatemala at a time agreed on by diplomatic channels.

After the signing of the joint communique, President Cerezo granted a press conference and then met with President De la Madrid and his family in an informal gathering. The official farewell ceremony was held at the official mansion at Los Pinos. After the customary honors, the heads of state and their respective delegations left. The guatemalan president and his entourage lef Los Pinos and spent the rest of the day engaged in private activities they will return to their coutnry tomorrow.

## Cerezo Leaves 6 July

PA060339 Mexico City XHDF Television Network in Spanish 0130 GMT 6 Jul 86

[Text] Guatemalan President Vinicio Cerezo Arevalo returned to his country today after completing a 3-day [as heard] official visit to Mexico. The Guatemalan president was bid farewell by Mexican Foreign Minister Secretary Bernardo Sepulveda at Mexico City airport. On his departure, he was given a 21-gun salute. He left Mexico at 1545 local time.

Guatemalan Ambassador to Mexico Julio Cesar Mendez Montenegro commented that President Cerezo leaves satisfied with the results of his visit.

PRC VICE FOREIGN MINISTER ARRIVES FOR VISIT

PA071605 Mexico City XEW Television Network in Spanish 1300 GMT 7 Jul 86

[Text] Chinese Vice Foreign Minister Zhu Qizhen arrived in Mexico yesterday to promote an increase in bilateral trade. It is estimated that the increase might be more than $100 million.

PAN DEMANDS NULLIFICATION OF CHIHUAHUA ELECTIONS

PA081526 Paris AFP in Spanish 1344 GMT 8 Jul 86

[Text] Mexico City, 8 Jul (AFP) -- The rightist PAN (National Action Party) will demand that the elections held in the Mexican state of Chihuahua be nullified because "there was massive fraud" in favor of the ruling PRI (Institutional Revolutionary Party), the opposition group reported.

Two days after the people of Chihuahua voted in gubernatorial, deputy, and municipal authority elections, PAN leaders have said: "all votes obtained by the PRI should be annulled."

Among the irregularities, PAN has mentioned that just in Ciudad Juarez, on the U.S. border, 21 false PRI representatives were discovered and more than 50 ballot boxes were "stuffed with PRI votes."

Moreover, chambers of commerce and church officials in Chihuahua have agreed with PAN, and are calling for an investigation to clarify the fraud reports.

The PRI -- the ruling party in the federal government for the past 56 years -- has reaffirmed that it was victorious in the gubernatorial elections in four states (Baja California Norte, Campeche, and Durango, in addition to Chihuahua) as well as in most of the legislative and municipal posts for deputies in those states; and in Michoacan and Zacatecas.

The official results will be issued beginning next weekend.

$959.7 MILLION TRADE BALANCE NOTED THROUGH MAY

FL041616 Mexico City NOTIMEX in Spanish 2350 GMT 4 Jul 86

[Text] Mexico City, 3 Jul (NOTIMEX) -- The Secretariat of Planning and Budget has announced that Mexico had a favorable trade balance of $959.7 million during the first 5 months of 1986.

During the first 5 months, exports of products not related to petroleum increased 28.9 percent, with food products and manufactured products showing the largest increases.

The secretariat stressed the great reduction of estimated crude oil exports, which dropped 60.2 percent, from $5,783,200,000 in the first 5 months of 1985 to $2,299,900,000 in the same period this year. The Secretariat of Planning and Budget has said that during this same period imports dropped 6.2 percent.

With respect to imports of capital and intermediate-use goods by the private sector, the secretariat said they increased 26.3 and 2 percent respectively, while imports of consumer goods dropped 1.5 percent. Public sector imports totalled $1,444,800,000, which was 29.7 percent less than in the same period of the preceding year, while private sector imports totalled $3,824,700,000, which is 7.5 percent more than in the same period of the preceding year. The Secretariat of Planning and Budget has reported that in May 1986 Mexico had a favorable trade balance of $180,900,000.

NON-OIL EXPORTS EARN $16 MILLION THROUGH JUNE

FL081618 Mexico City NOTIMEX in Spanish 0440 GMT 8 Jul 86

[Text] Veracruz, Mexico 7 Jul (NOTIMEX) -- Mexico obtained 8 billion pesos ($16 million) from non-oil exports during this year's first 6 months, the National Association of Mexican Importers and Exporters [Anierm] has reported. The Anierm, through a board of directors member, Angel Matielo Canales, indicated that cattle, agriculture, and sea products have been greatly accepted by the international market. It stated that the state of Veracruz has turned into a very good assembly center because it guarantees low production costs. As an example, it noted that in the United States the daily labor cost is from $35 to $40 and here it is $4 or $5. Finally, it reported that on 15 July Mexico's definite membership in the GATT will be announced so that beginning 1 September Mexico can actively participate in the organization, assuming all its rights and duties.

PEMEX CHIEF FAVORS REDUCED PRODUCTION

PA051550 Mexico City EL NACIONAL in Spanish 2 Jul 86 p 1

[Text] Mexico is prepared to act in solidarity with agreements reached by oil-producing countries and, if necessary, would reduce its export quotas to secure more reasonable prices.

This was stated yesterday by Mario Ramon Beteta, director general of Mexican Petroleum (PEMEX). Beteta was interviewed on the occasion of Engineers Day. He said that it has been noted that the members of OPEC are definitely interested in reaching an agreement.

He said that oil-producing nations that do not belong to OPEC have said they want to reach goals that would benefit all oil-exporting countries.

In the specific case of Mexico, Beteta said, the willingness exists to restrict exports to an acceptable level. This is conditional on the compliance of other countries that may decide to restrict their production to acceptable levels. He said the purpose of this measure is to cooperate so that the supply of oil is not disproportionately higher than the demand for it, thus ensuring more reasonable prices.

Regarding the possibility of increasing the price of unleaded gasoline, Beteta said there are no plans to do so. He noted that PEMEX has nothing to do with that because it is the responsibility of a government prices and fares commission.

Regarding relations between the management and labor sectors of PEMEX, Beteta said they are engaged in negotiations that, he said, are going well.

## NORIEGA ADDRESSES RALLY OF TRANSPORT WORKERS

### Support for Delvalle

PA040120 Panama City Domestic Service in Spanish 2038 GMT 3 Jul 86

[Statement by General Manuel Antonio Noreiga, commander in chief of the Panamanian Defense Forces, to transport workers at the General Command headquarters in Panama City -- live]

[Text] Good afternoon to all the peasants from the mountains of Ocu, from Herrera and Veraguas Provinces, from San Carlos, and from Capira who are here; to all the drivers who today demonstrated strength and unity; to all of them who came to our home to back, not a man or a name, but a nationalist, a Panamanian, and a sovereign stance according to which we -- the members of the Defense Forces and heirs to the tradition of Torrijos' struggle -- say and reaffirm that we will not be the army that will haul down the Panamanian flag from Ancon hill. [applause]

This struggle and these enemies will remain as long as we are not completely sovereign. These Defense Forces will retain the spirit and the determination to continue, maintain, and support the democracy of President Eric Arturo Delvalle, the man they want to eliminate to demonstrate that there is no democracy in this country. [applause] We support the president's courageous stance. We support his platform. We support his being a Panamanian. We reject the Bunau-Varilla-like people who seek U.S. support to dominate and slander the Panamanian people. [applause]

We do not and will not accept decisions or orders that run counter to justice, Panama's and spirit of nationalism. We are and will be beside and in front of the causes that will lead Panama to be free, sovereign, and master of its own desitny. Thank you.

### Views Demonstrations

PA040221 Panama City Circuito RFC Television in Spanish 2300 GMT 3 Jul 86

[Text] This afternoon Panamanian drivers expressed solidarity with General Manuel Antonio Noriegea and the Panamanian Defense Forces. Beginning at 1300, representatives of drivers from all the provinces headed a caravan that set out from the Nuevo Panama gymnasium and traveled along Via Espana and Central Avenue until it reached Avenue A, where they paid their respects to Gen Noriega. Meanwhile, at the General Command headquarters, a group of peasants from Ocu and UNADE [National Democratic Union] legislators greeted Gen Noriega and his staff. In addition, legislator Luis Gomez, on behalf of UNADE parliamentarians, delivered to Noriega a legislative resolution expressing their support for him.

In an impromptu interview, Gen Noriega referred to the demonstration:

[Begin recording] [Noriega] We feel that these demonstrations that have been occurring daily for 2 consecutive weeks in front of the General Command headquarters are not aimed at Gen Noriega or any individual, but rather at a force, the people's sovereignty and dignity, and at the youth, a generation of peoples who contributed to our becoming a nation with an identity of our own. As commander of the Defense Forces, I accept this demonstration, as a patriot and as Panamanian. As Panamanians, we will never relinquish our destiny or our mission of nationalist identification. We will not renounce this and will not be found taking this stance.

[Reporter] Do the relations with the United States have something to do with the various demonstrations against the U.S. enterprises?

[Noriega] I refer to what Ambassador Davis said yesterday. I think you asked him. It is all right. I think ours is a honeymoon.

[Reporter] About statements by Senator Jesse Helms. What would be your message?

[Noriega] The message of the South African blacks, the message of the blacks of Cartagena, the message that would be delivered to him by the blacks of Chorrillo and the Panamanian blacks. We do not want another apartheid here. [end recording]

NORIEGA DISCUSSES SPADAFORA, CHARGES FROM U.S.

PA031756 Panama City EL SIGLO in Spanish 3 Jul 86 p 22

[Text] During an interview with a Colombian reporter, a copy of which was sent to Panama City Radio Continente by the Bogota Television Service, General Manuel Antonio Noriega, commander in chief of the Panamanian National Defense Forces, said "if a man lives a violent life and meets with violent men, his future and his end will be violent."

Referring to the charges made in Panama and abroad regarding the unsolved death of former guerrilla Hugo Spadafora, Noriega said "you die in the same way that you lived, you live the way you act. We are not talking about a monk. The man we are talking about did not live in a monastery nor did he read prayer books."

Without hesitating, the general admitted that Spadafora's death had affected the National Defense Forces. Gen Noriega described the manner in which the revolutionary process' former Health Minister was murdered as "gross."

It was "as if revenge had been the cause for his death." Noriega added that if someone is going to commit such a horrible crime "he is not going to leave any fingerprints."

Noriega continued to say that "this man's death has every sign of premeditation." Gen Noriega added that those who committed the crime did so with the intention of blaming the National Defense Forces. However, they did so "in an illogical manner because it was precisely the National Defense Forces who had the least to benefit from his death."

Showing the Colombian reporter a U.S. newspaper he had in his hands, Gen Noriega further explained the violent game Spadafora had been playing. Noriega said that Spadafora, a prominent member of the PRD [Democratic Revolutionary Party], had received from Al-Qadhdhafi "4 million for the guerrillas and to create the American Battalion." Noriega added that "we are faced here with a different situation, there are other things involved which we were not aware of."

Putting all professional inhibitions aside, the Colombian reporter made the following statement:

"But you are the one that is being accused of having certain involvements. I read today, in the newspaper you have with you, that you have been involved with the Israelis, the M-19, and Cuba, and that you gave U.S. military secrets to Cuba and vice-versa. I also read about the "Karina" -- all sorts of charges."

Without showing annoyance (even a light chuckle is heard) the head of the Panamanian Army said:

"Panama has relations with all the countries you have mentioned and according to the officials at those embassies, these relations are strictly diplomatic. It would be naive and silly to think that the secrets of the United States, of NASA, and the Challenger are in Panama" or that Gen Noriega or the National Defense Forces are going to be trusted with those secrets.

Noriega continued to tell the Colombian reporter that "when you want to find out what type of weapons a certain country has, all you have to do is look it up in the books." He added that there are enough books and other written material to fill libraries and these books have all the information regarding the quality and quantity of weapons various armies possess.

Speaking of the countries that he allegedly has been supplying with military secrets, Noriega said "as far as weapons are concerned, Israel has no say here," nor Cuba or the United States.

When the journalist insisted on the subject of the charges or conjectures that Gen Noriega "is a friend of the United States sometimes, a friend of Cuba sometimes, a friend of Colombia and its government sometimes, and a friend of the M-19 sometimes," she was referring to the version that the guerrillas were aided, and then information was given to the Colombian Government so that it was able to annihilate them with the cooperation of the Ecuadoran Government. The journalist then frankly stated that this is what they call in Colombia as "playing both sides." The general played down the charge saying that "it is part of the same story."

Noriega explained the way that the canal operates and he said that "a ship cannot be stopped, its cargo removed and opened and then returned back to the hold." He said that the ships are not inspected in the canal "as if they were cars at a checkpoint." He said that there is great ignorance if one thinks that all the ships that cross the canal are under the control of the Defense Forces.

Referring to democracy in Panama and the rapid succession of heads of state, the general said that "this is the way Panamanians are and that they are different from other countries." He said that the revolutionary process "lasted 16 years with a greater military interference in the government." Elaborating on the topic, he defined that interference as "a symbiosis between the civilian and the military." It was not, he said, a dictatorial interference. Noriega insisted that the democratic opening so that the president could be directly elected by the masses "was created by us."

In view of the interviewer's insistence that in Panama military power is above civilian power, Noriega replied: "Negative...the president who could not hold on was the one whose own team players, whose own party, whose own mechanisms of political defense said no in the face of the economic crisis."

"The people continue supporting their government and their process and they continue to function." Noriega said Manuel Antonio Noriega and his family are not the ones being attacked. The attack is on "the Panamanian people, on the country's sovereignty, and on the Panamanians' free determination." He said Torrijos had also "been torn to shreds." He cited [Jose] Remon [Panamanian president 1952-1955] explaining that every time there is controversy about Panamanian sovereignty some "ultraconservative, orthodox, and reactionary group emerges and lines up the battery against the president."

Noriega said he is not afraid to die. "I am a child of God. Everyone has to die sometime." He concluded the idea with a suggestive question that was left hanging in the air:

"As a Panamanian I have to ask" How many martyrs died on 4 July Avenue [site of the 1964 riots]? How many have fallen in the struggle for Panama's liberation?"

MORE ACCESS SOUGHT IN CANAL MANAGEMENT, FINANCES

PA081534 Panama City STAR AND HERALD in English 8 Jul 86, pp A-1, A-4

[By Ursula Michel-Howell]

[Excerpts] The Panamanian government wants more access to the Panama Canal administration's finances and supervision of canal maintenance, the director of Panama's Executive Office of Treaty Affairs (DEPAT) said Monday.

On the eve of the fourth quarterly Board of Commissioner's meeting, DEPAT Director Major Daniel Delgado D. told the STAR & HERALD he plans to submit his government's requests to the board July 9 and 10.

Delgado said he will also request development of a plan to increase the number of Panamanian executives in the PCC [Panama Canal Commission] administration and ask for an increased information flow between PCC and DEPAT.

American and Panamanian Board members will meet Wednesday and Thursday at the commission's administration building in Balboa Heights.

Among the topics scheduled for discussion by the board are a progress report on the widening of Culebra Cut, the operating and capital budgets for Fiscal Year 1988, and Panamanians' participation in management positions, according to the Canal Commission.

DEPAT Director Delgado discussed Panama's positions on a number of agenda items during an interview yesterday.

Maintenance of all vital structures and equipment for efficient operation of the canal will be one of the topics Panama has a special interest in, he said.

Panama would like to see PCC develop a full program of maintenance which can be followed by Panamanian technicians once the canal is turned over in the year 2000, Delgado said. [passage omitted]

The canal administration's financial situation is a second topic the Panamanian government wants to discuss at this week's board meeting, Delgado said.

DEPAT seeks access to complete financial statements and detailed budgets, Delgado said. With that information in hand, he said his government could review expenses and projects. Panama has in the past alleged that PCC spent millions of dollars on projects not included under the canal treaty, preventing a profit payback to Panama at the end of the fiscal year.

"They manage themselves in a way as to not have any profits by the end of the year", Delgado said.

Current fiscal year statements provided by PCC to DEPAT indicate the canal has a profit of $11.7 million, and Panama wants to make sure that profit is not expended before the end of the fiscal year in September, Delgado said.

The DEPAT Director said he had information that PCC plans to ask Congress to spend those profits on maritime claims settlements and other operations of the commission.

The PCC did not wish to comment on these figures yesterday.

"We feel this is a move to make sure that there is no profit at the end of the year", which could be paid to Panama, Delgado said. [passage omitted]

Surplus Canal Funds Requested

PA080217 Panama City Domestic Service in Spanish 1730 GMT 7 Jul 86

[Excerpt] Daniel Delgado, director of the Executive Office of Treaty Affairs, has referred to the financial topics that will be discussed during the quarterly meeting of the Panama Canal Commission's directorate board:

[Begin recording] We, the Panamanian Government, will support the position that the Canal Commission should not use the surplus that has accrued so far in fiscal year 1986 so that it may be maintained and turned over to Panama as stipulated by the treaties. This is in regard to the $10 million surplus.

Panama also wants to be paid any amount over this figure to compensate for what it has not received from the surplus accrued in previous years. In other words, Panama's position is that the Panama Canal Commission should not spend these funds so that the surplus is on the books at the end of the fiscal year. [passage omitted] [end recording]

## COSTA RICA

### ARIAS PREDICTS 'DIFFICULT TIMES' FOR COUNTRY

PA081751 San Jose LA NACION in Spanish 2 Jul 86 p 4a

[Excerpt] Difficult times lie ahead for this country with the intensification of the war in Nicaragua, and we will suffer the consequences because we are its neighbors. There will be more refugees. Consequently, Costa Ricans must become more tolerant, understanding and creative.

Yesterday, Costa Rican President Oscar Arias Sanchez referred to the effects that the U.S. Government's economic and military aid for the Nicaraguan contras will have on our country in the immediate future.

At an impromptu news conference held at a hall of the presidential residence in Zapote, the president also stated that it will become even more difficult to promote the development of the country's northern region because the farmers, cattlemen, and other businessmen will be afraid of risking their capital in investment projects.

The intensification of violence in Central America will prevent the entry of foreign capital to promote investments here because "we are Nicaragua's next-door neighbors and we cannot change our geographical position," the president continued.

In this way President Arias commented on the resumption of the U.S. financial assistance to the anti-Sandinist rebel groups, which was recently approved by the House of Representatives at the initiative of President Reagan.

Arias also said that he regretted that in all these years of negotiations, the Managua regime has not made any concessions and has remained inflexible in its positions. If we must blame someone, Arias said, "I honestly believe that the Sandinist government of Nicaragua" has the biggest share of the responsibility for this problem. [passage omitted]

### ARIAS DISCUSSES RELATIONS WITH DICTATORSHIPS

PA070440 Panama City ACAN in Spanish 1530 GMT 5 Jul 86

[By Wilfredo Chacon S.]

[Excerpts] San Jose, 5 Jul (ACAN-EFE) -- After severing diplomatic relations with the Government of South Africa, as announced yesterday by Costa Rican President Oscar Arias Sanchez and Foreign Minister Rodrigo Madrigal Nieto, President Arias said: "It is proof that we pratice what we preach."

Regarding the undemocratic regimes that are near Costa Rica, President Arias said with sorrow and regret that Cuba does not have a democracy and that the same is happening in Nicaragua.

With regard to South America, President Arias said that "Paraguay does not have a democracy. At this moment Chile is far from being a democratic regime," and thousands of Chileans are living under "a brutal dictatorship." [passage omitted]

President Arias did not dismiss the possibility of severing relations with other dictatorial regimes of the right or the left.

However, he told ACAN-EFE: It is not always appropriate to go to such an extreme, and we must be sure that we will achieve peace and freedom.

He added: "We will do it, if we are convinced that with the severing of relations we are going to get the dictatorial regime to implement a political system that is more open, pluralist, and democratic."

"But if conditions prove more suitable to maintain diplomatic relations, we prefer to do it this way, for the good of democracy," President Arias said.

President Arias insisted that his government's policy against totalitarianism, dictatorships, and oppression "is not leftist, rightist, fascist, nor Marxist;" it is just a policy in line with democracy.

He also reiterated his desire "to use Costa Rica's prestige as a means to promote peace and freedom throughout the world, especially on the American continent."

Referring to the subject of severing diplomatic relations with dictatorial regimes, President Arias expressed his hope that "practicing what we preach will have global repercussions."

## EL SALVADOR

### PDC MEETINGS WITH OPPOSITION 'RESOUNDING FAILURE'

PA081952 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 7 Jul 86

[Text] Opposition political leaders confirmed today at the national congress that the meetings for rapprochement and dentente between government and opposition political leaders that were held behind closed doors for several weeks at the President Hotel in western San Salvador were a resounding failure.

According to the sources, who asked that they not be identified, ARENA [Nationalist Republician Alliance], the National Conciliation Party, and the Christian Democratic Party [PDC] held moe than 10 meetings over a 3-week period in an attempt to arrive at joint positions on various current national issues.

A statement issued by ARENA under the title "The Dialogue of National Embarassment" proves that the meetings called by the PDC were a resounding failure.

In that statement, ARENA says Jose Napoleon Duarte's proposal to the left-wing extremists constitutes a "dialogue of national embarassment," and asks: What are the PDC's hidden purposes behind all the propaganda surrounding the dialogue with those who have destroyed so much in El Salvador? The PDC administration is a failure, and now it is attempting to improve its image. It has done nothing but corrupt our country with so much demagoguery and squandering of the people's money, and now it wants to put up a masquerade of a peace dialogue, ARENA's communique states.

It continues, saying: Mr Duarte: Peace cannot be negotiated with terrorists. Peace is a noble pursuit that should be accomplished through hard work, effort, and dedication to the country's interests. You are advocating a dialogue with your friends the communists, partners in your mad political pursuits, in response to purely personal interests, once again placing your private concerns over the nation's interests, as you did when your daughter was kidnapped, ARENA states in its communique.

Talks with communists have never reaped fruit, the statement adds, citing as examples what happened in Vietnam, Cambodia, and Colombia.

Trace the communists' history, Mr Duarte. Take support from the Salvadoran Armed Forces, work honestly side by side with the Salvadoran soldiers, clean your government of corrupt, inept men, and shed your selfishness. This will allow you to see that together the people, Armed Forces, and government are the guarantors of true peace, the statement released by ARENA's professionals faction states in closing.

## HONDURAS

### ROSENTHAL ON U.S. ENVOY POLICIES, CONTRA AID

PA090301 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 7 Jul 86

[Interview with Presidential Designate Jaime Rosenthal by reporter Douglas Membreno; no date or place given -- recorded]

[Text] [Rosenthal, broadcast in progress] ...U.S. politics. I lived there when I was a student, and I have since followed the United States' politics. I have read a lot about this, so I am surprised [changes thought] ...it was reported again today by several newspapers in the United States that the problem is that Ambassador Ferch could not impose U.S. policies on Honduras.

I can tell you that, as far as I am concerned, no U.S. ambassador will be allowed to impose U.S. economic policy on Honduras. The minute they try to impose any policy here, I will either have to be removed form the government of the U.S. ambassador has to leave without receiving the Honduran Government's approval. However, we will not let Washington impose its policies on Honduras. That is why I was laughing today. how can they believe they will impose policies that do not concur with President Azcona's policies? I think those times have passed.

[Membreno] Excuse me, you do not think that the U.S. President's policy will remain the same and the aid to the contras will pass through our territory?

[Rosenthal] That is the problem. I do not think that the $100 million that the United States will channel to the contras will pass through the U.S. Embassy in Honduras. That money should not pass and will not pass through here. They also have a large embassy in Costa Rica, which is quite close to Nicaragua, as we are. I believe that the aid is really disbursed in Miami and not in Honduras.

FURTHER ON VEGA EXPULSION FROM NICARAGUA

Bishop Recounts Deportation

PA071908 Panama City ACAN in Spanish 1745 GMT 7 Jul 86

[By German Reyes]

[Text] Tegucigalpa, 7 Jul (ACAN-EFE) -- Bishop Pablo Antonio Vega, who was deported from Nicaragua last Friday, today stressed the need to find a peaceful way to make the changes the region's peoples need, and to prevent the spiral of violence form increasing in intensity.

"The Nicaraguan Catholic Church wants the powerful and meek to come together as brothers to make the changes our peoples need," the Nicaraguan bishop told ACAN-EFE during an interview.

Vega is the vice president of the Nicaraguan Episcopal Conference, and is currently in exile in Honduras. Yesterday he made his first public appearance since he was expelled from his country, when he officiated at a mass at the San Miguel Salesian Institute.

According to the Sandinist government, Vega was "sent into exile for violating the state of emergency" in force in that neighboring country, for committing "slander" against the revolution, and for campaigning on behalf of the United States.

"So far, Christians have lived on a somewhat individualized level, without realizing that we are also a people, are faithful, and that we must forge our own identity as a country and our own history," the bishop said.

According to the monsignor, to Christians the meaning of history "is based on dynamics that emerge from the spirit and from the need to have to face the world to shape it, not simply suffer or cry over it."

Regarding his expulsion from Nicaragua, he said that he was summoned to "chat" with the Chontales authorties on Friday, 4 July.

Upon his arrival at the home of the regional chief at 0805 on Friday, "I noticed that there were several military and security men. One of them said that following government orders, I was under arrest."

He said that he was then told to get into a sedan and taken down a side road, "perhaps to try to mislead people, so that they would not realize the circumstances under which I was riding with those two men, who were dressed in civilian clothes," he explained.

He said that at no time was he mistreated, and that when they arrived at a place known as the "penitentiary," there were tow helicopters waiting. "One of those big ones. I was asked to get into it."

"I was free to move around inside the helicopter," he went on. "They had a doctor look me over, as I had not been well lately."

He did not say where exactly the helicopter dropped him off, but he did explain that he arrived at the Honduran border in a "trailer," [preceding word in English], and that the Nicaraguan customs officials looked puzzled. "They were not aware of what was going on. No one had advised them of my situation."

"At the border the soldiers told me that "I now had to find a new country because they would not let me return to Nicaragua," he added.

"I replied that countries are not given or taken away from one and that despite all these problems, I knew that we are all Nicaraguans and that one day they would come to realize the true meaning of the word country."

Once in Honduran territory, immigration chief Colonel Flores Aucedo ordered in Tegucigalpa that the bishop be given all the necessary protection and means to make his way to the capital.

Pablo Antonio Vega did not rule out the possibility that the Sandinists or the counterrevolutionaries fighting against the Nicaraguan Government might want to kill him, saying that in Nicaraguan rumors circulated that he might be the target of an attempt.

On the Sandinist charges against him, he said: "We cannot remain silent or become accomplices to the suffering of an entire nation."

The church leader said that he is not maintaining a political stance, because the Christian message "is life exists to give life and freedom to men and nations."

The Nicaraguan bishop refused to say where he is staying, adding that he will announce that in due time, after the Honduran authorities define his status in the country.

## Vega on Sandinist Regime

PA081653 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 8 Jul 86

[Text] Msgr Pablo Antonio Vega has told this televison program that as time goes by, our countries increasingly lose their autonomy because they are bending to the dictates of powers from other continents.

The Nicaraguan church is seeking a civic way out of the political crisis that prevails in Nicaragua. This was stated by Pablo Antonio Vega, vice president of the Episcopal Conference. Msgr Vega was expelled from his country by the Sandinist government.

The monsignor has said that the people are losing their sovereignty because of meddling by the big powers.

[Begin recording] [Vega] We have always proposed that the government maintain a civic path, and not a path of repression and oppression against the people. They have a materialistic philosophy, and we are in conflict with that. We continue inisiting on a civic alternative for the Nicaraguan people.

[Reporter Mario Cali] Is there a climate that could represent a threat of a confrontation between Honduras and Nicaragua, or is Nicaragua promoting such a climate?

[Vega] You know that this type of government goes beyond national limits. It supports international blocs, so if their theory, their dependency on a particular bloc gains strength, the confrontations between the international blocs will be further aggravated, and this is dangerous.

Our poor nation's best path would be our own sovereignty and the search for an equidistant position. The more we get mixed up with international blocs, the less sovereignty we will have internally. The path for us is simple sovereignty and an equidistant position so that we don't go beyond what is best for us.

[Cali] One last question, Monsignor: Do you believe that the Catholic Church of Nicaragua, or at the Central American level, is maintaining a position of civic opposition to Sandinism and that it is not one of support for the armed counterrevolutionaries?

[Vega] There are political groups, and the general feeling of the people is that they want a civic revolution and not police and military oppression. This is the greatest source of conflict. On the one hand, the church will continue demanding a civic road, and on the other there is government insecurity when they resort to mechanisms of force and not to rights that could become legitimate: the rights of the people.

[Cali] What is the role of the Nicaraguan Catholic Church regarding the Nicaraguan counterrevolution, that is, the armed opposition?

[Vega] In this regard we do nothing but to take notice of facts and to acknowledge the right the people have to defend themselves when they face a government that does not respect the rights of the people. [end recording]

Honduras' immigration authorities have granted an indefinite residence permit to the Nicaraguan monsignor.

NICARAGUA BARS HONDURAN BISHOP ANDRES RODRIGUEZ

PA090111 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 8 Jul 86

[Excerpt] Attention please, listeners. Msgr Oscar Andres Rodriguez, a bishop, has been banned from the Republic of Nicaragua. The Sandinists not only expel their own priests. As part of their campaign against the Catholic Church, they are banning other Central American prelates from entering. That is the case of Msgr Oscar Andres Rodriguez of Honduras, one of the top Catholic leaders of the republic. Our press department obtained this information late yesterday from a source closely linked to the archepiscopal curia here in Tegucigalpa. [passage omitted]

## NICARAGUA

ORTEGA SAYS REMARKS PROVE REAGAN 'MAD'

PA072017 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 7 Jul 86

[Excerpts] The people of Juigalpa took to the streets to protest the U.S. warmongering policy and express support for the revolutionary government. [passage omitted with unidentified demonstrators' remarks]

The march ended at the Francisco Meza Rojas Square, in front of the FSLN headquarters, where President Daniel Ortega called for the national unity of all the people.

During his Saturday speech, Commander Ortega said President Reagan said that the Statue of Liberty had smiled at him when the $100 million for the contras was approved in the U.S. Congress. He said that remark proved that the U.S. President is mad.

[Begin Ortega recording] We are certain that the American people oppose Reagan [words indistinct]. [end recording]

President Ortega called the Nicaraguan people to national unity to defend the revolution.

[Begin recording] We must strengthen the unity of all the Nicaraguans, and of all that is Nicaraguan, regardless of political affiliations.

Today, Nicaraguan citizenship is being put to trial. He who is truly Nicaraguan will have to be on this side, [words indistinct] Nicaragua against the aggression. He who is not Nicaraguan, he who denies his citizenship, will [words indistinct] on the side of the aggressors [words indistinct].

The FSLN, The Nicaraguan Government, calls for the national unity of all Nicaraguans: national unity to defend our country and sovereignty; Nicaragua, which belongs to all of us, and which today is being threatened by U.S. imperialism. [end recording]

## GOVERNMENT REJECTS OPPOSITION MEDIATION OFFER

### Nunez Comments

PA081916 Panama City ACAN in Spanish 1843 GMT 8 Jul 86

[By Denis Garcia Salinas]

[Excerpt] Managua, 8 Jul (ACAN-EFE) -- The Sandinist government has ruled out the internal political opposition as an interlocutor for the purpose of creating a peace commission that would seek a cease-fire in the war that has been going on in Nicaragua for the past 5 years.

The proposal was presented yesterday by the Nicaraguan Coordinating Board (CDN), the largest coalition of opposition political groups, and by the Independent Liberal Party (PLI), which is represented in the Nicaraguan parliament.

National Assembly President Commander Carlos Nunez, who is also a member of the FSLN Directorate, has minimized the importance of the opposition's proposal and noted he doubts the dissident organizations' sincerity about being "concerned."

He explained that the document issued by the CDN and PLI includes "conditions" to be met by the revolution and this type of proposal "does not deserve to be heard."

The only interlocutors the Sandinist front acknowledges are the six parties represented in the National Assembly, the Central American Unionist Party (PUCA), and the Revolutionary Workers Party (PRT). PUCA (rightist) and the PRT (leftist) are political groups with a small number of militants and are not represented in the Nicaraguan parliament.

Carlos Nunez flatly refused to enter into discussion with the CDN groups that did not participate in the November 1984 general elections. [passage omitted]

## Rivas Leiva Responds

PA070432 Panama City ACAN in Spanish 2150 GMT 6 Jul 86

[By Filadelfo Martinez]

[Excerpt] Managua, 6 Jul (ACAN-EFE) -- Luis Rivas Leiva, the top Social Democratic leader of Nicaragua, today said the political space in this country is closing up to such an extent that "the opposition party has no reason to exist."

The secretary general of the opposition Social Democratic Party of Nicaragua returned from Costa Rica last Friday and participated yesterday in a meeting involving representatives of six center-right parties of this country.

The dissident politician told ACAN-EFE that the most recent measures adopted by the Sandinist government contradict the proclaimed political pluralism and places governmental parties in "strait jackets."

He added that threats by top Sandinist leaders against opposition members is a "fright campaign" and a "flagrant" violation of individual and collective rights "that go beyond the framework of the emergency law."

In the wake of the U.S. House of Representatives' approval of $100 million for the contras on 24 June, the Sandinist government announced the "severe and strict" enforcement of the national emergency law.

This law, which was broadened on 15 October, empowers the Nicaraguan Government to restrict the freedoms of movement, expression, and assembly, among other things.

Since making that decision, Sandinist authorities have closed down the opposition newspaper LA PRENSA of Managua "indefinitely" and have banned from the country two prominant ecclesiastical leaders for being "spokesmen" for U.S. interests and its aggressive policy.

According to Rivas Leiva, democratic groups in Nicaragua are "simple spectators of the military situation" prevailing in the country.

The opposition leader pointed out that his party promotes a peaceful solution in this Central American nation, but "we are victims of this situation that we have not brought about."

He added: "That is why we feel that our opposition party has almost no reason to exist."

Rivas Leiva added, however, that they will maintain "a civil struggle." [passage omitted]

## BISHOPS' LETTER VIEWS PROBLEMS WITH REGIME

PA090353 Panama City ACAN in Spanish 0240 GMT 9 Jul 86

[Text] Managua, 8 Jul (ACAN-EFE) -- The Nicaraguan bishops published a letter today that they sent to all the Episcopal Conferences in the world, following the measures recently adopted against the clergy by the Sandinist Government.

The text of the message is as follows:

The bishops of the Episcopal Conference of Nicaragua fraternally greet the bishops of the Episcopal Conferences in the world and wish to share with them the sufferings and hopes of the pilgrim church in Nicaragua, and request their prayers and solidarity, and report the following:

1. The church's situation in Nicaragua becomes more difficult each day, given the increasing pressures and threats from the government of the Republic:

a) The Holy Father and the country's bishops are constantly disrespected and slandered through the government's news media.

"The government is particularly interested in presenting the bishops as persecutors of church members and as allies, followers, and supporters of the imperialist plans of the United States; the Holy Father is depicted as the one who carries out these plans." (Letter from the Nicaraguan Episcopate on the Eucharist, Unity Front, and Reconciliation, date 6 April 1986.)

Yesterday an official newspaper even wrote an editorial which states: "The most treacherous partnership prevails between Reagan, who said yesterday that the Statue of Liberty had smiled at the approval of millions for his mercenaries, and this pope, who only dedicates prayers for the dead Yankees and issues accusations and threats against the victims of U.S. imperialism; This represents a grave danger to the people, like the times when Bavbarism and genocide were perpetrated in the name of the cross and the empire." (EL NUEVO DIARIO, 6 July, 1986)

b) Priests who remain faithful to the bishops are constantly visited by State Security members with the intention of separating them from their bishops, through praise or threats. The same strategy is used with faithful Christians with the intention of separating them from their own church, threatening them and their families with reprisals if they refuse to cooperate.

c) During the last 7 years, the church has been deprived of 2 nuns and 26 priests, who were expelled from the country by the Sandinist government.

d) A Nicaraguan priest, Msgr Bismarck Carballo, director of Radio Catolica and vicar of the church's news media, has been exiled from the country. (28 June 1986).

Msqr Pablo Antonio Olga, a Nicaraguan who is bishop of Juigalpa, vice president of the Epescopal Conference of Nicaragua, and member of the Justicia Et Pax Pontifical Commission, which was located in his episcopal headquarters, was expelled from the country on 4 July 1986.

e) Problems have increased, and it is virtually impossible to get residence visas for priests, clergymen, and nuns who wish to engage in pastoral work in Nicaragua with the bishops. The nuns of the order of Mother Theresa of Calcutta have been denied the possibility of establishing two communities in Nicaragua, following almost a year of contacts. The clergymen of the people's church who come to work in favor of the government have no problem in this concern.

2. The silence to which they are attempting to subject the church, inside the country, as well as abroad, is complete:

a) Since 1981 the church has not been allowed to use the television media. Documents issued by the Holy See, as well as by the Nicaraguan Episcopal Conference, have been censored to the point that publication of the Holy Father's letter to the Nicaraguan bishops (29 June 1982) was censored and later published accompanied by an offensive commentary from the Interior Minister's Communications Media Directorate.

The publication of communiques and the Episcopal's pastoral letter (6 April 1986) was banned.

b) IGLESIA, the Managua archdiocese newspaper, was confiscated on 12 October 1985.

c) The printing shop were IGLESIA and the 8-year-old parish bulletin that carried the text of the Sunday liturgy was confiscated (14 October 1985).

d) Nicaragua's Radio Catolica was closed on 1 January 1986 after several years of being censored.

e) The few independent communications media, like LA PRENSA, closed on 26 June 1986, were not allowed to publish Msgr Miguel Obando y Bravo's Sunday homily and other statements made or articles written by the church hierarchy. This began 3 months ago. Meanwhile, the numerous government communications media are allowed and promoted to publish slander against the church.

f) Anyone who, inside the country or abroad, may make a statement that the government considered to be subversive, is threatened with expulsion from the country.

g) The church is slandered and it is accused of refusing to hold a dialogue. However, they overlooked the fact that throughout 1985 several meetings, 10 in all, were held between the church and the state commission. They have also overlooked the fact that many proposals to hold dialogues have been made and these proposals have gone unanswered. Such is the case of the most recent letter addressed to the government on 2 May 1986.

h) If the bishops, priests, clergymen, and faithful, insist on being faithful to the church and defending their human rights, their moral and physical safety is threatened by scandals, demonstrations by mobs, and requested for their death or expulsion from the country.

3. The so-called people's church, which is totally at the service of the government's cause, is themost dangerous weapons used by the government to attempt to divide the church (Nicaraguan Episcopal Conference pastoral letter, 6 April 1986).

Those priests and nuns, members of the people's church, are the ones who repeat, at the international level, the ideas and slander of the government against the church.

We believe that this information, which is not completed, can be useful so that the truth of what is happening to the church in Nicaragua can be better known.

MALMIERCA REITERATES STAND ON TROOPS IN ANGOLA

FL082004 Havana Radio Reloj Network in Spanish 1802 GMT 8 Jul 86

[Text] In Vienna today, Cuba reaffirmed that Cuban troops will be withdrawn from Angola when agreement has been reached with the Luanda government and when the Pretoria regime disappears and Namibia becomes independent.

The Cuban foreign minister said that, as long as apartheid exists, there will be no peace or security in southern Africa. Malmierca spoke at the international conference for the immediate independence of Namibia, which is meeting in the Austrian capital. He described as illegal the so-called inkage theory [between the withdrawal of Cuban troops and Namibian independence], which only serves to delay the implementation of the international resolutions on Namibia.

Malmierca said Cuba demands that the conference demand that the Security Council apply sanctions against South Africa and call for an end to all support for that regime.

PRESS COOPERATION AGREEMENT REACHED WITH PRC

FL051610 Havana Radio Reloj Network in Spanish 1418 GMT 5 Jul 86

[Text] Bo Yibo, executive vice chairman of the Central Commission for Guiding Party Consolidation of the CPC Central Committee, today received PRENSA LATINA Director General Pedro Margolles.

Following the interview, Margolles and the delegation accompanying him met with Zeng Tao, vice chairman of the Standing Committee of the National People's Congress [as heard] and former chief correspondent of the XINHUA news agency in Havana.

During the meeting, Zeng Tao and Margolles praised the cooperation between XINHUA and PRENSA LATINA, which began in early 1960 and has continued without interruption.

The Latin American delegation has been in Beijing since Thursday on a friendly visit, invited by XINHUA to sign a new bilateral cooperation agreement replacing the existing agreement, which was signed in 1960.

ETHIOPIAN PARTY DELEGATION DEPARTS 7 JULY

FL071856 Havana Television Service in Spanish 1700 GMT 7 Jul 86

[Text] The ethiopian delegation headed by Ashagre Yigletu, Workers Party of Ethiopia Secretariat member and chief of the party's Foreign Relations Department, today left for Mexico after a 1-week official working visit to our country. Rodolfo Puentes Ferro, party Central committee member and Cuban ambassador to Angola, saw them off.

During the delegation's talks with their Cuban counterparts, the satisfactory development of cooperation between the two countries was reaffirmed and the main international problems were examined, especially those related to Africa and Latin America. The Ethiopian delegation also met with Ethiopian students in Cuba and visited important places of historic, political, and economic interest.

ACP EXPORTS UP; CARIBBEAN SHARE STILL SMALL

FL082026 Bridgetown CANA in English 2000 GMT 8 Jul 86

[Text] Bridgetown, Barbados, July 8, CANA -- European imports from developing countries in Africa, the Caribbean, and the Pacific increased nearly six per cent in 1985 over 1984, but the Caribbean share of exports to Europe was still among the smallest in the ACP bloc.

An official publication of the European community and the ACP, COURIER, today reported ACP exports reached 26.8 European currency units [ecu] (one ecu; 92 U.S. cents) during 1985, up 5.6 per cent on 1984.

The bulk of the export trade in the ACP bloc originated in Africa -- some 92 per cent. Pacific and Caribbean countries shared the remaining eight per cent, COURIER reported.

European exports to the community rose 6.6 per cent during the period to reach ecu18,000 million, according to COURIER.

ACP countries supplied 83 per cent of community sugar imports.

The Caribbean exports mostly sugar to Europe and is linked with other developing countries to the EEC by the Lome Trade Aid Convention.

JAMAICA

PRIME MINISTER PREDICTS CLOSE ELECTION CONTEST

FL081825 Bridgetown CANA in English 1617 GMT 8 Jul 86

[Excerpts] Kingston, Jamaica, July 8, CANA -- Prime Minister Edward Seaga has predicted a close contest between his Jamaica Labour Party (JLP) and the opposition People's National Party (PNP) in the July 29 municipal elections.

At a campaign rally last night, Seaga implied that public opinion surveys forecasting a PNP landslide were propaganda.

According to Seaga, both parties each had significant leads in three parishes and were running neck-and-neck in the other seven.

The latest published survey by pollster Carl Stone gave the PNP a 62 per cent support among people intending to vote in the elections, two per cent better than his May finding.

The PNP apparently picked up its support at the expense of the JLP which was two points down in May, at 36 per cent. The Marxist-Leninist Workers Party of Jamaica (WPJ) had a two per cent following.

The Stone polls have a reputation for correctly predicting election results.

But Seaga, who recently said a poll commissioned by his party had shown it was closing the gap on the PNP, remained unconvinced.

I don't want anybody to believe because they see the propaganda that this election is a runaway victory for anybody, Seaga said. It is going to be a close contest right down to the wire, he added. [paasage omitted]

The PNP and the JLP each yesterday nominated 187 candidates for all the seats in the municipal authorities, while the WPJ fielded 13 candidates in eight parishes.

The Jamaica-American Party, which says it wants to make Jamaica a U.S. state, nominated six candidates.

Both sides are taking this election, the first significant contests between the JLP and the PNP since the 1980 general election, with a degree of seriousness not generally given to municipal polls.

The PNP, which boycotted the December 1983 general elelction, says it is using this as a referendum on the Seaga government, which if it wins, it will use to call for a general election.

Seaga has rejected that his government is on trial but has been campaigning hard to portray an image of effective leadership that has made gains in a difficult environment.

Manley, at a PNP rally last night, urged a high voter turn-out, saying that the government wished for a low voter turn-out to hold down the margin of a PNP victory.

It would then attempt to use this in an attempt to defy pressure for parliamentary elections, he said. [passage omitted]

## TRINIDAD-TOBAGO

### PRC VICE FOREIGN MINISTER INVITES INCREASED TRADE

FL051801 Bridgetown CANA in English 1748 GMT 5 Jul 86

[Text] Port of Spain, Trinidad, July 5, CANA -- Visiting Chinese Vice Foreign Minister Zhu Qizhen has invited Trinidadian businessmen to enter the Chinese market, making use of a bilateral economic and technical co-operation agreement between the two countries.

We welcome more people in the industrial and business circles in your country to visit China, to gain an understanding of China's market and to explore with your Chinese colleagues the possibility of doing business, Qizhen told a business luncheon here yesterday.

We did not have many contacts in the past. We wish to strengthen our economic contacts with the private sectors in Trinidad and Tobago in the future.

In a return speech, Emile Elias, president of the businessmen's association, said some of the main problems holding back the local businessmen in their trade with China was the time it took for the issue of letters of credit and the lack of a containerised cargo service from the two countries.

Qizhen promised to report all the problems he had heard to the relevant departments in Peking.

GOVERNMENT EXPELS NETHERLANDS DIPLOMAT

PA090500 Buenos Aires REUTER in Spanish 0405 GMT 9 Jul 86

[Text] Paramaribo, 8 Jul (REUTER) -- The Surinamese military government today expelled Erik W.P. Klip, the secretary of the Netherlands Embassy, for his "improper interference in local affairs," the Surinamese Foreign Ministry announced today.

The ministry gave Klip 1 week to leave this former Netherlands colony.

Relations between the Netherlands and Suriname began to deteriorate in December 1982, when 15 people who opposed the government of Commander Desi Bouterse were murdered. Bouterse, a former army sergeant, assumed office through a coup in 1980.

To protest the murders, the Netherlands Government suspended a $1.5 billion aid program.

Since that time, Suriname has reduced its mission to the Netherlands to the rank of charge d'affaires, although the Netherlands Government maintains an embassy in Paramaribo.

PUNWASI CONCERNED ABOUT ARRESTS OF JOURNALISTS

FL252122 Paramaribo International Service in English 1800 GMT 25 Jun 86

[Text] The Court of Justice met yesterday on recent developments in which the judiciary is involved. [Words indistinct] on the same question. The reason for both meetings are critical remarks made by Minister of Justice Punwasi on the arrest, release, and rearrest of two Dutch journalists.

The journalists, who claimed to be travel agents, are accused of being illegal in Suriname. After the release of the two dutchmen by the investigating Dutch [as heard], Minister Punwasi expressed concern about the developments in the judiciary which do not cohere with what we call social reality.

Neither the judiciary nor the bar is very pleased with this pronouncement.